

DECISION**THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D. C. 20548**

FILE: B-186959

DATE: August 30, 1976

MATTER OF: Atlas Builders, Inc.

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98104**DIGEST:**

Where the only basis contracting officer had for suspecting error in bid is disparity with other bids and Government estimate, and the contractor knew this was reason behind request by contracting officer for verification of bid, contract awarded after such verification cannot be reformed upon claim of mistake in bid discovered after award.

Atlas Builders, Inc. (Atlas) requests an adjustment in the contract price of contract No. V667C-326 not to exceed the next lowest bid on the basis of a mistake in bid discovered after award.

The president of Atlas was present at the bid opening on June 14, 1976, when Atlas submitted the low bid of \$45,942 on invitation for bids (IFB) No. 667-38-76. The four other bids received were \$53,219, \$57,330, \$63,900, and \$64,220. The Government estimate, which was made known to the bidders at the opening, was \$84,405. Since Atlas's bid was \$7,277, or 14 percent, lower than the next lowest bid, and \$38,463, or 58 percent, below the Government estimate, the contracting officer requested that Atlas verify its bid. Atlas verified its bid by telephone on June 15, 1976, and sent a letter of verification dated June 16. The contract was awarded to Atlas on June 15, 1976, on the basis of its oral verification.

On June 18, 1976; during the preparation of purchase orders for materials for the job and the Contract Progress Report, Atlas discovered its error. In adding one item, the decimal point was misplaced, so that \$1,288 was added into the sum instead of \$12,880, and the bid of \$45,942 was submitted instead of the \$58,821 Atlas claims was its intended bid. Atlas now seeks to have the contract price adjusted to \$53,200, or just under the next lowest bid. Work was begun on the contract on June 28, 1976.

Federal Procurement Regulation (FPR) § 1-2.406-1 provides, in part, that:

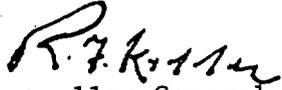
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"After the opening of bids, contracting officers shall examine all bids for mistakes. In cases of apparent mistakes and in cases where the contracting officer has reason to believe that a mistake may have been made, he shall request from the bidder a verification of the bid, calling attention to the suspected mistake * * *."

Under FPR § 1-2.406-1, when verification is requested, the bidder must be informed of the specific reasons for the request, and any particular errors suspected. 54 Comp. Gen. 545 (1975), 75-2 CPD 393. B-185235, January 14, 1976, 76-1 CPD 26. B-185140, March 2, 1976, 76-1 CPD 149. If the only cause for suspicion of error on the part of the contracting officer is the disparity in the bids received and the government estimate, the contracting officer's verification duty is discharged if the bidder knows the basis for the request for verification. B-180613, July 5, 1974, 74-2 CPD 9. B-185340, February 10, 1976, 76-1 CPD 86. B-185873, March 26, 1976, 76-1 CPD 199.

In this case the agency has recommended correction of the error since the record does not clearly indicate whether the contracting officer specifically advised Atlas of the purpose of the request for verification. In this connection we have granted relief pursuant to the rule established in United States v. Metro Novelty Mfg. Co., 125 F. Supp. 713 (S.D.N.Y. 1954), that a request for verification must be sufficiently explicit to put the bidder on notice that a mistake is actually suspected. However, we understand that Atlas's president attended the bid opening and knew the bid prices received and the government estimate. It appears, therefore, that Atlas verified and confirmed its bid on the basis of the same information which caused the contracting officer to request verification. In the circumstances, we do not think that more was required of the contracting officer particularly because the primary duty for assuring that bid prices are correct rests with the bidder.

For the reasons stated, Atlas's request to reform its contract price is denied.


Acting Comptroller General
of the United States